



# Iowa Department of Human Services

Terry E. Branstad  
Governor

Kim Reynolds  
Lt. Governor

Charles M. Palmer  
Director

## INFORMATIONAL LETTER NO.1070

**DATE:** October 31, 2011

**TO:** Iowa Medicaid Case Managers, Targeted Case Managers, and DHS Service Workers

**ISSUED BY:** Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

**SUBJECT:** Issues Related to the Home and Community Based Services (HCBS) Rate Restorations

**EFFECTIVE:** Immediately

The Iowa Medicaid staff wishes to provide additional communication to the field in regards to the issues below.

1. The Department of Human Services (DHS) Appropriations Bill for state fiscal year 2012 signed by Governor Branstad in July 2011, authorized DHS to restore funding of the HCBS waiver services. This restoration has an effective date of July 1, 2011. Informational Letter No.1046 outlined the steps to be taken by the IME to restore those rates.

According to the release, those rates that are paid according to a fee schedule would be returned to the Individualized Services Information System (ISIS) rates in effect on November 30, 2009. Senior companion rates are paid according to a fee schedule.

It has come to our attention that some senior companion rates in ISIS on November 30, 2009, were higher than the rate allowed by the Iowa Administrative Code (IAC). According to the code, the maximum rate payable per hour on November 30, 2009, was \$6.59. Any plan that contained a higher rate for senior companion services was not in accordance with the code. The ISIS system may allow a rate to be entered that is higher than the IAC; however the department expects case managers, targeted case managers, service workers, and providers to adhere to the IAC. The Iowa Administrative Code 441-Chapter 79.1(2) which outlines the maximum rates payable for HCBS services is located at: [http://www.dhs.iowa.gov/policyanalysis/PolicyManualPages/Manual\\_Documents/Rules/441-79.pdf](http://www.dhs.iowa.gov/policyanalysis/PolicyManualPages/Manual_Documents/Rules/441-79.pdf).

When the rate restoration was done in early September 2011, the department enforced the rate maximum of \$6.59 for senior companion. This action has caused numerous requests to increase senior companion rates to those in effect on November 30, 2009, even though the higher rates were not in accordance with the code.

As a result, the department has determined that since the highest allowable rate in effect on November 30, 2009, was \$6.59 for senior companion services, then no plan should

contain a senior companion rate higher than \$6.59. The ISIS helpdesk staff will not change any plan to include a senior companion rate higher than \$6.59. Case managers, targeted case managers, and service workers should revise current plans to not exceed \$6.59 per hour for senior companion. The IME will undertake action to correct all plans containing senior companion services at a rate higher than \$6.59. The IME will not recoup against any claims where the senior companion rate was higher than \$6.59.

2. Several issues surrounding the implementation of the rate restoration have resulted in a large number of Quality Assurance (QA) requests coming into the ISIS helpdesk. Extra staff has been assigned to the helpdesk to assist with the increased workload. One of the issues contributing to the increased workload is the number of duplicate submissions which takes as much time to work as the original request. If you have sent in a QA or spreadsheet, please do not send it again. Our staff works each request in accordance with the received date.
3. The IME allows case managers and service workers to use spreadsheets for issues related to the rate restoration. Unfortunately, we are now receiving other types of issues on these spreadsheets. Staff will not process any issues contained on a spreadsheet unless that issue is related to the rate restorations. For QA issues not related to the rate restoration, please follow the regular QA protocols.

Thank you for your assistance in these matters.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909 or locally in Des Moines at 515-256-4609 or by email [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).